Special Conditions of Contract (SCC)

The following Special Conditions of Contract (SCC) shall supplement the GCC. Whenever there is a conflict, the provisions herein shall prevail over those in the GCC. The corresponding clause number of the GCC is indicated in parentheses.

SCC Clause Number	GCC Clause Number	Amendments of, and Supplements to, Clauses in the GCC
	Definitions (GCC 1)	
1.	1.1	The Procuring Agency is: Multan Electric Power Company (MEPCO) Multan
2.	1.1(j)	The Supplier is: [*Name and address]*
	Governing Language (GCC 4)	
4.	4.1	The Governing Language shall be: English
	Applicable Law (GCC 5)	
5.	5.1	The Applicable Law shall be: Laws of the Pakistan
	Country of Origin (GCC 6)	
6.	6.1	Country of Origin is ……………
	Performance Security (or guarantee) (GCC 10)	
7.	10.1	The amount of performance security (or guarantee), as a percentage of the Contract Price, shall be: F i v e **(5) percent of the Contract Price including GST**
8.	10.4	After delivery and acceptance of the Goods, <u>5</u> percent of the Performance Security (or guarantee) shall be withheld to cover the Supplier's warranty obligations in accordance with **GCC Clause 18.2.**
9.	37.2	**Inspections and Tests (GCC 37)** **<u>Final Inspection:</u>** Inspection of the material / equipment will be carried out at TRW Workshop or any other relevant MEPCO premises by authorized representative(s) of MEPCO. Notice in writing for inspection of goods shall have to be given to office of Director Procurement Distribution MEPCO 15 days prior to the due date of delivery in case of Locally manufactured material and 60 Days in case of Foreign Manufactured material. All reasonable facilities shall have to be afforded to the inspecting officers by you at your expenses including boarding and lodging, TA/DA as allowed by Govt. of Pakistan. The inspection charges @ 0.5% (non-reimbursable) of the cost of material will be paid by the Supplier in favor of CEO MEPCO while offering the material for Inspection.

	Packing (GCC Clause 12)	
10.	12.2	The following **SCC** shall supplement **GCC Clause 12.2**: The Goods shall be packed properly in accordance with standard export packing specified by the Procuring Agency in the Technical Specification.
	Delivery and Documents (GCC Clause 13)	
11.	13.1	**<u>CONSIGNEE & DELIVERY PERIOD:</u>** **a.** TRW Multan however, consignee store will be Regional store Multan. **b.** Before issuance of IC, the equipment shall be got tested at TRW Workshop or any other relevant MEPCO premises for ensuring the performance of Equipment. The bidder shall be responsible for practical demonstration as well as training the TRW staff. After Issuance of IC, PD TRW / XEN TRW will issue a satisfactory report regarding the performance of the equipment. GRN shall be issued after complete satisfaction by the concerned store manager that material has been delivered in perfect condition and without any defect in Regional Store. **c.** Delivery period is the essence of the purchase order and delivery must be completed not later than the dates specified. 1st day of inspection or 15th day of inspection call whichever is earlier, shall be reckoned as date of delivery of Store to MEPCO Consignee provided the goods accepted for supply have been delivered within 20 days of issue of Inspection Certificate subject to the condition that the supplier / manufacturer offers the material for Inspection at least 15-days prior to the due date and the offer is not rejected due to being a fake call or material not conforming to the specification. **For Goods supplied from abroad:** Upon shipment, the Supplier shall notify the Procuring Agency and the Insurance Company by cable the full details of the shipment, including Contract number, description of Goods, quantity, the vessel, the bill of lading number and date, port of loading, date of shipment, port of discharge, etc. The Supplier shall mail the following documents to the Procuring Agency, with a copy to the Insurance Company: (i.) One original plus four copies of the Supplier's invoice showing Goods' description, quantity, unit price, and total amount; (ii.) original and four copies of the negotiable, clean, on-board bill of lading marked "freight prepaid" and four copies of nonnegotiable bill of lading; (iii.) One original plus four copies of the packing list identifying contents of each package; (iv.) Insurance Certificate; (v.) Manufacturer's or Supplier's warranty certificate;

		(vi.) inspection certificate, issued by the nominated inspection agency, and the Supplier's factory inspection report; and (vii.) Certificate of country of origin issued by the chamber of commerce and industry or equivalent authority in the country of origin in duplicate. The above documents shall be received by the Procuring Agency at least one week before arrival of the Goods at the port or place of arrival and, if not received, the Supplier will be responsible for any consequent expenses.
12.	13.3	**For Goods from within Pakistan:** Upon delivery of the Goods to the transporter, the Supplier shall notify the Procuring Agency and mail the following documents to the Procuring Agency: (i.) one original plus four copies of the Supplier's invoice showing Goods' description, quantity, unit price, and total amount; (ii.) delivery note, railway receipt, or truck receipt; (iii.) Manufacturer's or Supplier's warranty certificate; (iv.) inspection certificate issued by the nominated inspectors; and The above documents shall be received by the Procuring Agency before arrival of the Goods and, if not received, the Supplier will be responsible for any consequent expenses.
	Insurance (GCC Clause 14)	

13.	14.1	The Insurance shall be in an amount equal to 110 percent of the applicable INCOTERM value of the Goods from "warehouse" to "warehouse" on "All Risks" basis, including War Risks and Strikes.
	Related Services (GCC Clause 16)	
14.	16.1	Related services to be provided are: *N/A*
	Spare Parts (GCC Clause 17)	
15.	17.1	Additional spare parts requirements are: N/A
	Warranty (GCC Clause 18)	
16.	18.2	The period of validity of the Warranty shall be **24 Months** from delivery date of Last supply.
	18.5	The bidder will furnish a warranty certificate, certifying that the Goods supplied conform exactly to the specifications and are brand new. During the warranty period mentioned in SCC that in the event of material being found defective or not conforming to the specification / particular governing supply at the time of delivery, the bidder will held responsible for losses and the unacceptable goods shall be substituted with the accepted goods at bidder expenses after receipt at Ex-Works. The same will be returned to concerned regional store MEPCO by the Manufacturer after repair / replacement within Thirty (30) days after its receipt, otherwise cost of material will be recovered from your running bills during the delivery period. After delivery of all material within warranty period the 5% Performance Security will not be released until the replacement of such damage / defective materials in addition to other bidding documents requirements.
17.	**18.4 & 18.5**	The period for correction of defects in the warranty period is **30 days.**

18.	19.1	**Payment (GCC Clause 19)** The payment of Sales Tax (if applicable) shall be made by Chief Financial Officer MEPCO, Multan on production of Sales Tax return cum payment challan. In case of bidder who pays lump sum sales tax, they shall also submit an affidavit on non-judicial paper that the challan includes the amount of Sales Tax for supply of the mentioned items. The Payment will be made directly by the Chief Financial officer MEPCO Multan or through irrevocable inland letter of credit at sight from Scheduled bank of Pakistan. All charges relating to L/C opening and negotiation together with subsequent amendments shall be borne by the contractor. The payment / negotiation of L/C will be made on presentation of following documents. i) Invoice of supplied material in triplicate duly approved by Manager (Procurement) and pre-audited by the Finance Director MEPCO. ii) Delivery Challan and GRN duly stamped and signed by the Regional Store Manager MEPCO Ltd. Concerned. iii) Warranty certificate / non-payment certificate. iv) Confirmation of Director (Procurement) Dist: MEPCO Ltd. Multan about acceptance of performance bond in case of first claim only. v) Inspection certificate issued by MEPCO representative(s). vi) Satisfactory report by PD TRW/ XEN TRW regarding the performance of the Equipment. vii) The payment of the Sales tax shall be made on presentation of following documents: a. Sales tax invoice as per section-23 of Sales tax act 1990. b. Sales tax cum payment Challan for the concerned monthly duly paid into Government treasury. c. In case the manufacturers who pay lump sum Sales tax, they shall also submit an affidavit on non-judicial paper separately that paid Challan includes the above amount of Sales tax for supply of above mentioned invoices/items. **Partial deliveries and part payment are not allowed.**
19.	19.3	Rate to be used for paying the Supplier's interest on the late payment made by Procuring Agency shall be [*NA*]**.**

	Prices (GCC 20)	
20.	20.1	Prices shall not be adjusted as the contract is fixed price contract
	Liquidated Damages (GCC Clause 26)	
21.	26.1	Applicable rate: Maximum deduction: is equal to the 10% of the contract price exclusive GST. *Note:-* **2 percent per month of undelivered material/good`s value**
	Termination for Default (GCC Clause 27)	

22	27.1	A) If you fail to deliver the stores any or all of the Goods or any consignment thereof within specified delivery period in the contract or within any extension thereof granted by the Purchaser the purchaser shall be entitled at his option either: - i) To recover from your liquidated damages levied at the rate of **2% percent per month of undelivered material/good`s** Note: While determining liquidated damages the purchaser shall not consider any of the following circumstances, a cause under "FORCE MAJEURE" ii) To cancel the purchase order with or without reservation or rights. iii) To forefeit the Performance Security in case of late delivery resulting in loss to purchaser as well as incase of non replacement of defective material within warranty period as per stipulated timeline as well as other reasons specified in purchase order by the contracting officer. B) Termination for Insolvency: The Purchaser may at any time terminate the Contract by giving Notice to the Supplier if the Supplier becomes bankrupt or otherwise insolvent. In such event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy that has accrued or will accrue thereafter to the Purchaser **If the forfeiture of the security deposit does not compensate the contracting officer for losses suffered due to non-delivery or breach of contact, or if the supplier is found involved in corrupt and fraudulent practices or for any other reason, the contracting officer will have a right to initiate Blacklisting/Debarment procedure against the supplier as per MEPCO Blacklisting/debarment Policy available at MEPCO website.** PPRA Rules (Amended to-date) will prevail during the whole procurement process.

	Procedure for Dispute Resolution (GCC Clause 32)	
23.	32.3	**Dispute Resolution** **(a) <u>For Contracts to be entered with foreign Contractor/ Service Provider:</u>** All disputes arising in connection with the present Contract shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with said Rules. **(b) <u>For Contracts to be entered with nationals of Pakistan:</u>** 1. If any dispute of any kind whatsoever shall arise between the Procuring Agency and the Supplier in connection with or arising out of the Contract, including without prejudice to the generality of foregoing, any question regarding its existence, validity, termination and the execution of the Contract– whether during developing phase or after their completion and whether before or after the termination, abandonment or breach of the Contract – the parties shall seek to resolve any such dispute or difference by mutual diligent negotiations in good faith within 7 (seven) days following a notice sent by one Party to the other Party in this regard. 2. At future of negotiation the dispute shall be resolved through mediation and mediator shall be appointed with the mutual consent of the both parties. 3. At the event of failure of mediation to resolve the dispute relating to this contract such dispute shall finally be resolved through binding Arbitration by sole arbitrator in accordance with Arbitration Act 1940. The arbitrator shall be appointed by mutual consent of the both parties. The seat of arbitration proceedings shall be at Multan, Pakistan and parties are hereby agree to be bound by any final decision or award of such arbitration" Any arbitration award made in agreement shall be governed by PPRA Rule 2004"

		4. The cost of the mediation and arbitration shall be shared by the parties in equal proportion however the both parties shall bear their own costs and lawyer's fees regarding their own participation in the mediation and arbitration. However, the Arbitrator may make an award of costs upon the conclusion of the arbitration making any party to the dispute liable to pay the costs of another party to the dispute. 5. Arbitration proceedings as mentioned in the above clause regarding resolution of disputes may be commenced prior to, during or after delivery of goods. 6. Notwithstanding any reference to the arbitration herein, the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree that the Procuring Agency shall pay the Supplier any monies due to the Supplier. 7. The Parties agree that this agreement and any subsequent agreement(s) shall be governed by, applied to, interpreted and construed in accordance with the laws of the Islamic Republic of Pakistan" 8. In relation to any legal action or proceedings arising out of or in connection with this agreement, the parties irrevocably submit to the exclusive jurisdiction of the competent courts of law at Multan Pakistan"
	Notices (GCC Clause 35)	
24.	35.1	— Procuring Agency's address for notice purposes: Director (Procurement) Distribution MEPCO H/Q Khanewal Road Multan —Supplier's address for notice purposes:

SECTION IX: CONTRACT FORMS

Form of Contract

THIS AGREEMENT made the_______day of___________20_____between *[name and address of Procuring Agency]* of Pakistan (hereinafter called "the Procuring Agency") of the one part and *[name of Supplier]* of *[city and country of Supplier]* (hereinafter called "the Supplier") of the other part:

WHEREAS the Procuring Agency invited Bids for certain goods and related-services, viz., *[brief description of goods and services]* and has accepted a Bid by the Supplier for the supply of those goods and related services in the sum of *[contract price in words and figures]* (hereinafter called "the Contract Price").

NOW THIS CONTRACT WITNESSETH AS FOLLOWS:

1. In this Contract words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.

2. The following documents shall be deemed to form and be read and construed as part of this Contract, In the event of any ambiguity or conflict between the Contract Documents listed below, the order of precedence shall be the order in which the Contract Documents are listed below:-

   (h) This form of Contract;
   (i) the Form of Bid and the Price Schedule submitted by the Bidder;
   (j) the Schedule of Requirements;
   (k) the Technical Specifications;
   (l) the Special Conditions of Contract;
   (m) the General Conditions of the Contract;
   (n) the Procuring Agency's Letter of Acceptance; and
   (o) [*add here: any other documents*]

3. In consideration of the payments to be made by the Procuring Agency to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Procuring Agency to provide the goods and related services and to remedy defects therein in conformity in all respects with the provisions of the Contract.

4. The Procuring Agency hereby covenants to pay the Supplier in consideration of the provision of the goods and related services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the contract at the times and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Contract to be executed in accordance with their respective laws the day and year first above written.

Signed, sealed, delivered by_____________________the_________________(for the Procuring Agency)

Witness to the signatures of the Procuring Agency: ……………………………………………

Signed, sealed, delivered by_____________________the_________________(for the Procuring Agency)

Witness to the signatures of the Supplier: ………………………………………………

Performance Security (or guarantee) Form

To: *[name of Procuring Agency]*

WHEREAS *[name of Supplier]* (hereinafter called "the Supplier") has undertaken, in pursuance of Contract No. *[reference number of the contract]* dated *[insert date]* to delivery *[description of goods and services] (*hereinafter called "the Contract").

AND WHEREAS it has been stipulated by you in the said Contract that the Supplier shall furnish you with a Bank Guarantee by a reputable bank for the sum specified therein as security for compliance with the Supplier's performance obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the Supplier a guarantee:

THEREFORE, WE hereby affirm that we are Guarantors and responsible to you, on behalf of the Supplier, up to a total of *[amount of the guarantee in words and figures],* and we undertake to pay you, upon your first written demand declaring the Supplier to be in default under the Contract and without cavil or argument, any sum or sums within the limits of *[amount of guarantee]* as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until the: *[insert date]*

Signature and seal of the Guarantors

____

[name of bank or financial institution]

____

[address]

____

[date]